

Governor's State Workforce Investment Board WIA Title I Funding Task Force

**State Capitol Building, Room 172, Helena, MT
February 15, 2008**

DRAFT MINUTES

COMMITTEE MEMBERS PRESENT: Jacquie Helt, Chair; Arlene Becker; Kirk Hammerquist; Mike McGinley; Thomas McKenna; and Jeff Rupp.

STAFF: Leisa Smith, Danielle Nettleton, Eamon Hansen, and Jim Hill (advisory).

GUESTS: Deb Buxbaum, Maggie Driscoll, Suzanne Ferguson, Sara Fox, Carol Hanel, Sheila Hogan, and Kate Kahle.

I. Welcome and Introductions

Chairperson Jackie Helt called the meeting to order at 1:35 p.m. She welcomed staff, task force members, and guests.

- **Roll Call, Housekeeping, New Documents**

Danielle Nettleton conducted roll call, addressed house keeping items, and reviewed the meeting documents presented. Chair Helt explained the task force conducts business under Roberts Rules of Order. She stated she would relax Roberts Rules of Order to allow informal discussion among members. She reminded members to please state their name clearly when speaking for the accuracy of the minutes.

- **Agenda**

Chair Helt asked if there were any changes to the agenda. The agenda was approved as presented by consensus.

- **Minutes**

Chair Helt asked if there were any changes to the October 25, 2007 meeting minutes. The minutes were approved as presented by consensus.

II. Review Current System/ Base Funding

Jim Hill providing an overview of how Workforce Investment Act (WIA) funding from the United States Department of Labor (USDOL) is allocated to Montana. He reviewed the current process of allocating funds to local areas in Montana. Currently the Balance of State (BOS) uses the Kasten formula, allocating a base funding to each county; 35% for adult programs and 9% for youth. After allocating a base funding, the remaining amount is distributed to counties based on economically disadvantaged populations. The task force may wish to consider using the formula or not using it for both the Balance of State (BOS) and Concentrated Employment Program

(CEP). The second issue to be considered is the use of the current formula based on the economically disadvantaged. Montana receives two groups of funding from the USDOL, one for the CEP and one for the BOS. Once the money is distributed to the two areas, Montana can decide how to allocate funds to each county.

III. Survey Results

Mr. Hill provided an overview of the survey results. Providers feel strong about use of the current formula based on the economically disadvantaged. Smaller providers in the BOS appreciate the base funding for the youth and adult programs. Larger providers didn't mention their likes or dislikes of the base funding. The base ensures smaller counties receive some funding. Arlene Becker asked how many counties are located in the CEP. Mr. Hill informed the task force that 10 counties, including the Butte and Helena area, are located in the CEP. Kate Kahle reported the adult program in the BOS receives approximately 85-87% of funding from USDOL and the CEP receives 13-15%.

IV. Funding Criteria

The task force discussed the pros and cons of providing base funding to each county. Currently the CEP doesn't receive any base funding, if the Kasten formula was implemented it could take money away from the larger counties. Jeff Rupp was concerned that the youth program receives 9% base funding while the adult program receives 35%. Suggestions were made to use one percentage amount for both programs.

Sara fox recommend keeping the Kasten formula to ensure smaller counties receive funding and not increasing the 9%. If the task force implemented a hold harmless policy it would prevent each program from losing or gaining more the 10% in funding amounts. Currently a 90-110% hold harmless policy is utilized when the USDOL allocates funds to the BOS and CEP. Funds for each county are given to the provider who holds the contract for the area. Deb Buxbaum suggested refiguring the allocated funding amounts to each provider with the changes for each area. The task force was concerned this would make the decision difficult because certain areas would see gains and losses.

Mr. McGinley moved to implement the Kasten formula into the CEP with a 90-110% hold harmless policy across the state. Mr. Rupp seconded the motion which carried unanimously.

Mr. Rupp indicated the SWIB could allocate funds as they wish. He recommended utilizing the 2000 census data. The legal opinion is to use the 1990 census data but Mr. Rupp disagreed. Ms. Kahle informed the task force there is not a requirement for Montana to use the 1990 data, it is just recommended. Mr. Hammerquist asked if there are major differences between the data. Ms. Kahle indicated the 1990 census data is outdated compared to current statistics. Mr. Rupp asked why the youth barriers are not included in the formula. Mr. Hill recommended keeping the formula simple, using 8-9 factors could become challenging. Mr. Hill also informed the task force that data on barriers such as pregnancy are unavailable. Mr. Hill reported the USDOL formula is based on Unemployment and the Economically Disadvantaged. Mr. Rupp recommended leaving the formula and changing to 2000 census data. There would be major changes in funding amounts, but with the hold harmless policy providers could anticipate future changes in funding. Sara Fox was concerned the data could produce false results; if the USDOL doesn't use it, then Montana should not use it. Montana was under the assumption the 2000 census data was not available for use. Mr. Rupp doesn't see how the data would be incorrect for their use. Ms. Kahle reported the economically disadvantaged is strictly based off income.

Mr. McGinley moved to utilize the 2000 census data based on economically disadvantaged to distribute funds. Mr. Hammerquist seconded the motion which carried with Mr. McKenna opposing.

IV. Next Steps

Chair Helt stated the recommendations will go to the board at the April 24th SWIB meeting and the task force most likely will have completed its task and will be dissolved.

V. Adjourn

With no further comments Chair Helt adjourned the meeting at 3:18 p.m.